

Message Text

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PAGE 01 MANILA 05815 130843Z
ACTION TRSE-00

INFO OCT-01 EA-10 ISO-00 NEA-10 IO-13 AID-05 CIAE-00
COME-00 EB-08 FRB-03 INR-10 NSAE-00 ICA-11 XMB-02
OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15
STR-07 CEA-01 PA-01 L-03 H-01 OIC-02 EUR-12 /131 W
-----118227 132330Z /73

R 130741Z APR 78
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 4232
INFO AMEMBASSY BONN

LIMITED OFFICIAL USE MANILA 5815

USADB

FOR NAC AGENCIES

E. O. 11652: NA
TAGS: EAID, EFIN
SUBJECT: PROPOSED DEUTSCHE MARK BORROWING

REF: (A) MANILA 4849, (B) TREASURY 78-56 (NOTAL)

1. ON APRIL 12, ADB BOARD OF DIRECTORS APPROVED PROPOSED
BANK BORROWING OF UP TO 100 MILLION DEUTSCHE MARK (APPROXI-
MATELY US\$49.1 MILLION BASED ON BANK'S CURRENT TRANSLATION
RATE) IN CAPITAL MARKET OF FEDERAL REPUBLIC OF GERMANY (FRG).
NEGOTIATED TERMS ARE AS FOLLOWS:

- A. COUPON RATE: 5-1/2 PERCENT PAYABLE ANNUALLY.
- B. MATURITY: 10 YEARS STRAIGHT MATS
ING ON 1 MAY 1988.
- C. ISSUE PRICE: 99.75 PERCENT.
- D. UNDERWRITING COMMISSION: 2 PERCENT.
- E. LISTING COMMISSION: 0.25 PERCENT.

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- F. PAYING AGENCY COMMISSION: 0.25 PERCENT FOR
COUPON PAYMENT AND 0.125 PERCENT FOR REDEMPTION.
- G. COST TO THE ADB: APPROXIMATELY 5.812 PERCENT.
- H. EFFECTIVE YIELD TO PURCHASER: 5.458 PERCENT.

2. MATURITY AS FINALLY NEGOTIATED REPRESENTS REDUCTION
OF TWO YEARS FROM THAT TENTATIVELY INDICATED IN ADB

DOC. R26-78; AVERAGE LIFE IS SLIGHTLY REDUCED FROM 10.5 YEARS TO 10 YEARS. AFTER CAREFUL CONSIDERATION, BANK DECIDED TO OFFER BONDS WITH A MATURITY OF TEN YEARS STRAIGHT. DEPUTY TREASURER SAID THAT UNDER PRESENT MARKET CONDITIONS A TEN-YEAR STRAIGHT ISSUE AFFORDS A MORE FAVORABLE COUPON RATE AND COST TO BANK THAN A 12-YEAR ISSUE WITH AN AVERAGE LIFE OF 10.5 YEARS.

3. FRG HAS GRANTED NECESSARY APPROVALS PURSUANT TO ARTICLE 21 OF AGREEMENT ESTABLISHING THE ASIAN DEVELOPMENT BANK.

WESTCOTT

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOANS, MARK (CURRENCY)
Control Number: n/a
Copy: SINGLE
Draft Date: 13 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MANILA05815
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780159-0994
Format: TEL
From: MANILA ADB
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780459/aaaabxym.tel
Line Count: 74
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ae60a1b0-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 MANILA 4849
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2974299
Secure: OPEN
Status: NATIVE
Subject: PROPOSED DEUTSCHE MARK BORROWING
TAGS: EAID, EFIN, RP, ADB
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/ae60a1b0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
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